

Digitized by the Internet Archive in 2023 with funding from University of Alberta Library



The Officers and Directors of
Madsen Red Lake Gold Mines Limited
are pleased to present their
Annual Report to the Shareholders
for the year ended
December 31st, 1966

MADSEN RED LAKE GOLD MINES

LIMITED

THIS YEAR'S COVER:

Kindled by the Right Honourable Lester B. Pearson, Prime Minister of Canada, as a symbol of Canada's first One Hundred Years of Nationhood, the beautiful Centennial flame on Parliament Hill, Ottawa, Canada, will continue to burn as a tangible reminder of the magnificent spirit of our past and the faith, hope and undying inspiration for our future.



Officers

MARIUS K. MADSEN,*
President

FRED R. MARSHALL, Q.C., Vice-President

MISS M. MASTERSON, Secretary-Treasurer

Directors

MARIUS K. MADSEN,* Toronto, Ont.

PAUL H. McCLOSKEY, M.C., B.Sc., Toronto, Ont.

FRED R. MARSHALL, Q.C., Toronto, Ont.

HUGH H. MACKAY, Toronto, Ont.

MISS M. MASTERSON, Toronto, Ont.

Mine Manager

K. R. NORTH, B.Sc., P.Eng. (Ont.), Madsen, Ont.

Mine Consultant

A. A. McCLOSKEY, B.Sc., P.Eng. (Ont.), Toronto, Ont.

Officers and Directors

^{*} Deceased February 16th, 1967.

Registrars and Transfer Agents

GUARANTY TRUST COMPANY OF CANADA 5th floor, 88 University Avenue, Toronto 1, Ont. 427 St. James Street West, Montreal, Que.

THE BANK OF NEW YORK
48 Wall Street, New York 15, N.Y.

Auditors

NEFF, GOODWIN & CO. 347 Bay Street, Toronto 1, Ont.

Head Office

Suite 1109, 55 Yonge Street, Toronto 1, Ont.

Mine Office

Madsen, Ont.

Annual Meeting

Thursday, March 23rd, 1967, 11 o'clock in the morning (Toronto Time), Queen's Park Room — King Edward Sheraton Hotel, Toronto, Ontario.



Comparative Summary

| | 1966 | 1965 |
|---------------------------------|-----------------|-----------------|
| Tonnage | 246,505 | 292,681 |
| Ounces Gold Produced | 69,999.031 | 87,632.198 |
| Average Price of Gold per ounce | \$ 37.73 | \$ 37.73 |
| Gross Income | \$ 2,657,165.51 | \$ 3,326,452.29 |
| Costs after Gold Subsidy | \$ 2,031,484.09 | \$ 2,396,326.38 |
| Operating Profit | \$ 625,681.42 | \$ 930,125.91 |
| Interest and Other Income | \$ 60,752.87 | \$ 37,349.46 |
| Depreciation | \$ 180,025.92 | \$ 202,098.68 |
| Taxes | \$ 65,000.00 | \$ 86,500.00 |
| Net Profit | \$ 441,408.37 | \$ 678,876.69 |
| Net Profit Per Share | \$.13 | \$.19 |
| Net Profit Per Ton | \$ 1.79 | \$ 2.32 |
| Net Working Capital | \$ 3,000,742.26 | \$ 2,553,580.41 |

Review of the Year

BY THE DIRECTORS

To the Shareholders:

Your Directors submit with pleasure the Thirty-First Annual Report for the year ended December 31st, 1966, including a review of operations by the Mine Manager, Mr. K. R. North, and the Auditors' Financial Statement.

OPERATING RESULTS

Gross bullion income was \$2,657,165.51 compared with \$3,326,452.29 in the year 1965. Adverse labour conditions plagued the operation during the year. However, the factors of decreased costs and higher Gold Subsidy Assistance helped to offset the full impact of the reduction in production. Insured bullion valued at \$116,715.99 was stolen in March, 1966. This bullion, with the exception of gold valued at \$2,794.08, was recovered and sent to the Mint in December, 1966.

Mine operating profit was \$625,681.42 compared with \$930,125.91 last year. Net profit was \$441,408.37, equal to 13 cents per share, compared with \$678,876.69, equal to 19 cents per share in 1965.

FINANCIAL

In order to conserve funds for an expanded and accelerated outside exploration program, the decision was made not to pay a dividend in 1966. One dividend of 5¢ per share plus a bonus of $2\frac{1}{2}¢$ per share, amounting to \$262,464.60, was paid in 1965.

Net working capital of \$3,000,742.26 reflected an increase of \$447,161.85 over that of \$2,553,580.41 at December 31st, 1965.

Depreciation charges on buildings, plant and equipment were taken at 20 per cent which was the same rate as last year.

Provision for federal, corporate and mining taxes was \$65,000.00 compared with \$86,500.00 in 1965.

Net capital expenditures amounted to \$93,014.04. The major item in capital additions was \$79,900.00 for houses.

The ten-year summary which is given in another section of the report, provides a statistical picture of operations from inception of milling August 11th, 1938, to December 31st, 1966.

ORE RESERVE

After milling 246,505 tons, grade 0.308 ounces per ton, during the year, the Ore Reserve

totalled 560,000 tons, grade 0.289 ounces per ton, at December 31st, 1966. This compared with 665,000 tons, grade 0.300 ounces per ton, at December 31st, 1965.

DEVELOPMENT

Diamond drilling below the 24th level indicated ore sections in scattered locations which were inconsistent with expectations.

Drilling between the 20th and 21st levels encountered mineralization between departure 20,100 and 20,700. This occurrence is either an extension of No. 3 zone or a new occurrence. Diamond drilling was continued in this area.

PROPERTIES - RED LAKE

Thirteen claims were brought to patent in Heyson Township.

Twenty-three unpatented claims were permitted to lapse following exploration work in Heyson Township.

BAFFINLAND IRON MINES LIMITED

The Company held 662,786 shares of Baffinland Iron Mines Limited — a 19.93% interest, at the end of December, 1966, with the same right to participate in any future financing.

The expenditures during 1966 were largely limited to presenting the results of the Feasibility Study of all work performed to date, to the Federal Government for their consideration with respect to financial and other aids they may be able to render towards construction or capital cost which total about \$100,000,000.00 when escalation, contingency and interest charges on all debt are included. The initially planned production rate is 2,000,000 - 2,500,000 long tons per year.

These capital or construction costs are as expected — abnormally high due to its relative remoteness from industrial centres in Canada or elsewhere and its climatic disadvantages for construction purposes where no facilities of any kind presently exist.

However, the direct operating unit costs — that is without repayment of capital, interest charges on debt, taxes, etc., — are shown in the Feasibility Report to be in general, competitive with major iron ore producers in other parts of the world. Because of its high iron, but low silica and other negligible impurity content, recent laboratory testing on direct-reduction processing has indicated it as an eminently suitable natural high-grade iron ore. This important test work is continuing.

The areas of possible government financial assistance have already been partially established through past policy and precedents, though some ground will also need to be broken. These chiefly concern icebreakers, telecommunications and airfields, dock, harbour and navigational facilities, power, railroad, mine access road, townsite construction and its operation, housing and Eskimo labour.

A Federal Government Committee embracing the various governmental departments most concerned with the various construction segments under the leadership of the Department of Indian Affairs and Northern Development have had the Feasibility Report under study since early in 1966. The first of their decisions is expected shortly.

OUTSIDE EXPLORATION

An expanded program was carried out in the year 1966 and will be continued in 1967.

NASS RIVER MOLYBDENITE

Your Company holds a 48.6% interest in Nass River Mines Limited, an Ontario company registered in British Columbia, which carried out exploration work and located wide-spread molybdenite mineralization over the 91 claims held by staking and 52 claims held under option agreements, at the year end. The results of the past season's work were sufficiently encouraging to continue exploration work during the coming year.

RUETTE TOWNSHIP, QUEBEC

The 18-claim group held under an option agreement was maintained in good standing.

SHABU LAKE, ONTARIO

Seventy-nine claims were staked in the Shabu Lake area which is located 45 miles northeast of Red Lake. Copper mineralization was located in rock trenching. Exploration will be continued in 1967.

BAMAJI LAKE, ONTARIO

Twenty-four claims were staked in the Bamaji Lake area, 100 miles northeast of Red Lake, adjacent to a molybdenite discovery. Prospecting was carried out for a short period prior to the freeze-up, with inconclusive results.

MICHIPICOTEN ISLAND, ONTARIO

The 45-claim group, held by staking, was permitted to lapse.

GENERAL

It is with deep regret that we record the death of your President, Mr. Marius K. Madsen, who died February 16th, 1967. He was an active participant in the Company which has borne his name since inception. Mr. Madsen was one of the very few who saw his own mining claims blossom from prospect to mine and his personal status promoted from Prospector to President. His wise counsel will be sadly missed. Mr. Paul McCloskey, M.C., B.Sc., a Director for some time, was appointed President. Mr. Howard Street Robinson, well known mining engineer, was elected a Director to fill the vacancy on the Board.

The Directors take this opportunity to express their appreciation to all the employees for their loyal and efficient services rendered to the Company during the year.

Respectfully submitted on behalf of the Board,

P. H. McCLOSKEY,

President.

Toronto, Ontario, February 28th, 1967.

MADSEN RED LAKE

(Incorporated und

| ASSETS Current Assets: | 1966 | 1965 |
|--|-----------------|-----------------|
| | | \$ 1,071,541.18 |
| Cash Short term notes | \$ 8,316.09 | 202,130.14 |
| Bullion in transit | 249,006.05 | 171,981.08 |
| Accounts receivable | 32,195.23 | 32,455.96 |
| Estimated gold assistance receivable | 271,108.93 | 263,886.47 |
| Refundable tax receivable | 27,000.00 | |
| Marketable securities — at cost less amounts written off (Market value 1966 \$589,754.50, 1965 \$449,527.25) | 624,188.92 | 484,005.17 |
| Materials and supplies — at cost | 553,183.54 | 642,899.69 |
| Prepaid expenses | 26,711.96 | 23,199.34 |
| Total current assets | \$ 3,241,710.72 | \$ 2,892,099.03 |
| Investments — at cost: | | |
| Securities and cash on deposit | \$ 27,340.00 | \$ 27,340.00 |
| Shares in other companies | 185,799.00 | 113,754.00 |
| | \$ 213,139.00 | \$ 141,094.00 |
| Property, plant and equipment — at cost: | | |
| Buildings, machinery and equipment | \$ 5,870,830.43 | \$ 5,790,354.43 |
| Less: Accumulated depreciation | 5,150,726.72 | 4,981,959.72 |
| | \$ 720,103.71 | \$ 808,394.71 |
| Mining properties — Red Lake | 1,667,211.71 | 1,667,211.71 |
| | \$ 2,387,315.42 | \$ 2,475,606.42 |
| Deferred Expenditure: | | |
| Development — shaft sinking, stations, etc. | \$ 728,304.67 | \$ 728,304.67 |
| Pension plan contributions | 36,000.00 | 54,000.00 |
| | \$ 764,304.67 | \$ 782,304.67 |
| Other Mining Properties: | | |
| Mining claims — at cost | \$ 13,207.00 | \$ 15,261.23 |
| Deferred exploration expenditure | 32,191.10 | 42,312.84 |
| | \$ 45,398.10 | \$ 57,574.07 |
| | \$ 6,651,867.91 | \$ 6,348,678.19 |
| | | |

AUDITORS' REPORT T

We have examined the balance sheet of Madsen Red Lake Gold Mines Limited as at December 31, 1966 and the statements of income, retained earnings and source and application of funds for the year ended on that date. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

TORONTO, Canada, February 22, 1967.

GOLD MINES LIMITED

laws of Ontario)

| LIABILITIES | | |
|---|--|-----------------|
| Current Liabilities: | 1966 | 1965 |
| Accounts payable and accrued charges | \$ 159,103.92 | \$ 205,215.44 |
| Wages payable | 36,194.25 | 45,898.52 |
| Estimated taxes payable | 45,670.29 | 87,404.66 |
| Total current liabilities | \$ 240,968.46 | \$ 338.518.62 |
| | | |
| SHAREHOLDERS' EQUI | TY | |
| Capital Stock: | | |
| Authorized: 3,500,000 shares of \$1.00 each | \$ 3,500,000.00 | \$ 3,500,000.00 |
| Issued and fully paid: 3,499,528 shares | \$ 3,499,528.00 | \$ 3,499,528.00 |
| Less: Discount on shares | | 1,390,160.50 |
| | \$ 2,109,367.50 | \$ 2,109,367.50 |
| | | |
| Retained Earnings | and the same of th | 3,900,792.07 |
| | \$ 6,410,899.45 | \$ 6,010,159.57 |
| | | |
| | | |
| | | |
| Approved on behalf of the Board: | | |
| P. H. McCLOSKEY, Director. | | |
| | | |
| F. R. MARSHALL, Director. | | |
| | | |
| | | |
| | | |
| | | |

E SHAREHOLDERS

In our opinion, the accompanying balance sheet and attached statements of income, retained earnings and source and application of funds present fairly the financial position of the Company as at December 31, 1966 and the results of its operations for the year ended on that date in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

NEFF, GOODWIN & CO., Chartered Accountants. \$ 6,651,867.91

\$ 6,348,678.19

Madsen Red Lake Gold Mines Limited

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

For the Year Ended December 31, 1966

| Source: | | | | Percentage |
|---|-------------------------------|-----------------|--|-----------------------|
| Net income for the year Add: Provision for depreciation Deferred pension write off | | | \$ 441,408.37 180,025.92 18,000.00 | |
| Less: Prior years adjustments — net | t . | | \$ 639,434.29 38,624.88 | |
| Proceeds of fire insurance claim Proceeds of sale of equipment | | | \$ 600,809.41 8,535.00 285.00 \$ 609,629.41 | |
| Application: | | | 3 009,029.41 | |
| Additions to buildings and equipmed Investment in Nass River Mines Li Outside exploration | mited | | \$ 93,014.04 51,282.05 18,171.47 | 15.26 8.41 2.98 |
| Increase in working capital | | | \$ 162,467.56 447,161.85 | 26.65 73.35 |
| | | | \$ 609,629.41 | 100.00 |
| | Decem | ber 31 | | |
| | 1966 | 1965 | | |
| Current assets Current liabilities | \$ 3,241,710.72 240,968.46 | | | |
| Working capital | \$ 3,000,742.26 | \$ 2,553,580.41 | \$ 447,161.85 | |

STATEMENT OF RETAINED EARNINGS

For the Year Ended December 31, 1966

| | 1966 | 1965 |
|--|--------------------|---------------------------|
| Balance, January 1 | \$ 3,900,792.07 | \$ 3,526,061.92 |
| Add: Net income for the year Profit on sale of equipment | \$ 441,408.37 | \$ 678,876.69 1,762.87 |
| Adjustment of prior years insurance Adjustment of prior years taxes | 1,274.18 449.69 | 1,368.17 |
| Recovery re fire insurance claim | 7,618.56 | 0.0000773 |
| | \$ 450,750.80 | \$ 682,007.73 |
| | \$ 4,351,542.87 | \$ 4,208,069.65 |
| Deduct: Dividend #46 at 7½ ¢ per share paid June 22, 1965 Acquisition cost and development expenditure on mining claims | \$ — | \$ 262,464.60 |
| abandoned | 9,584.49 | 12,773.04 |
| Adjustment of prior years gold assistance | 40,426.43 | 28,553.31 3,486.63 |
| | \$ 50,010.92 | \$ 307,277.58 |
| Balance, December 31 | \$ 4,301,531.95 | \$ 3,900,792.07 |

Madsen Red Lake Gold Mines Limited

STATEMENT OF INCOME

For the Year Ended December 31, 1966

| Bullion Production: | 1966 | 1965 |
|--|--|--|
| Gold | \$ 2,640,831.14 16,334.37 | \$ 3,306,507.39 19,944.90 |
| Less: Marketing charges | \$ 2,657,165.51 23,886.43 | \$ 3,326,452.29 25,983.23 |
| | \$ 2,633,279.08 | \$ 3,300,469.06 |
| Operating and Administration Costs: | | |
| Mining Crushing and milling Mine development Employee benefits Management and general expense at the property Head office expense (Directors' fees 1966 \$5,000.00, 1965 \$5,113.26) (Legal fees 1966 \$1,000.00, 1965 \$615.00) | \$ 1,303,546.39 423,108.32 254,347.34 321,344.80 251,588.04 78,662.77 | \$ 1,472,902.71 442,250.71 402,374.07 296,169.22 259,127.86 82,518.58 |
| Less: Estimated Gold Assistance | \$ 2,632,597.66 625,000.00 | \$ 2,955,343.15 585,000.00 |
| | \$ 2,007,597.66 | \$ 2,370,343.15 |
| Operating Income Interest and other income | \$ 625,681.42 60,752.87 | \$ 930,125.91 37,349.46 |
| | \$ 686,434.29 | \$ 967,475.37 |
| Provision for depreciation Provision for Dominion and Provincial taxes | \$ 180,025.92 65,000.00 | \$ 202,098.68 86,500.00 |
| | \$ 245,025.92 | \$ 288,598.68 |
| Net Income for the Year | \$ 441,408.37 | \$ 678,876.69 |

DISTRIBUTION OF GROSS INCOME

For the Year Ended December 31, 1966

| Gross Income: | 1966 | 1965 |
|---|--|---|
| Bullion Interest and other income Gold mining assistance | \$ 2,657,165.51 60,752.87 625,000.00 | \$ 3,326,452.29 37,349.46 585,000.00 |
| | \$ 3,342,918.38 | \$ 3,948,801.75 |
| Distribution: | | |
| Materials, supplies and general operating expenses Salaries and wages Hydro electric power Workmen's compensation and silicosis insurance Holidays with pay and unemployment insurance Pension, group insurance and medical expense Boarding house and employees travel expense Provision for taxes Provision for depreciation Net income | \$ 800,106.64 1,395,499.78 134,706.46 116,388.22 59,728.61 89,871.58 60,182.80 65,000.00 180,025.92 441,408.37 \$ 3,342,918.38 | \$ 939,805.03 1,595,078.60 145,367.88 86,741.73 65,797.30 82,009.26 66,526.58 86,500.00 202,098.68 678,876.69 \$ 3,948,801.75 |

MADSEN RED

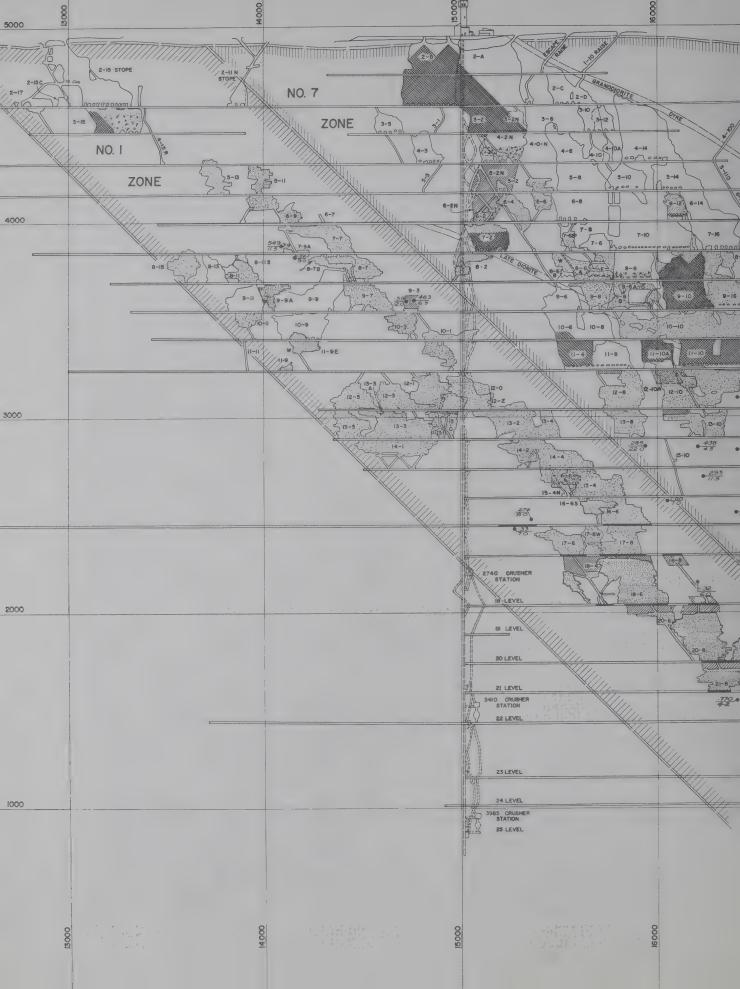
Our Ten Year

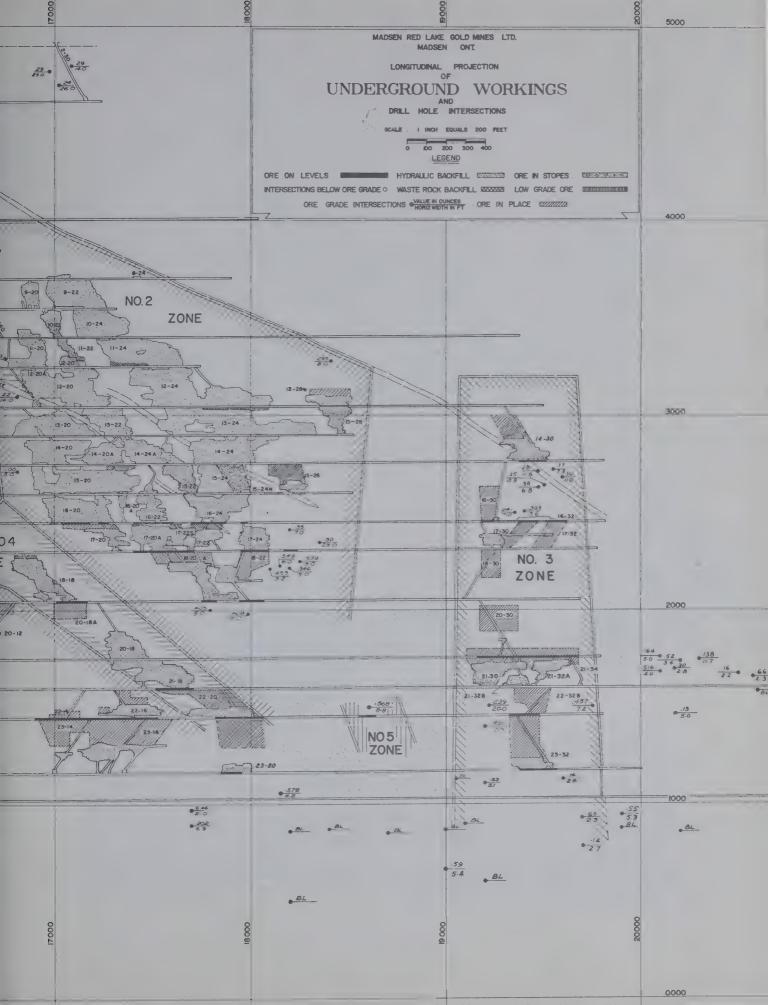
| | 1938 to 1966 | 1966 | 1965 | 1964 |
|---|-----------------|----------------|----------------|----------------|
| Ounces of gold produced | 2,006,643.985 | 69,999.031 | 87,632.198 | 94,868.82 |
| Tons of ore milled | 6,673,787 | 246,505 | 292,681 | 305,823 |
| Recovery value per ton milled | \$ 10.71 | \$ 10.78 | \$ 11.36 | \$ 11.78 |
| Average price of gold per ounce | \$ 35.46 | \$ 37.73 | \$ 37.73 | \$ 37.75 |
| Income from gold and silver | \$71,493,339.08 | \$2,657,165.51 | \$3,326,452.29 | \$3,603,396.77 |
| Operating and marketing costs | \$52,758,744.65 | \$2,656,484.09 | \$2,981,326.38 | \$3,388,586.47 |
| Operating income | \$18,734,594.43 | \$ 681.42 | \$ 345,125.91 | \$ 214,810.30 |
| Sundry income | \$ 676,580.69 | \$ 60,752.87 | \$ 37,349.46 | \$ 53,515.64 |
| Emergency gold mining assistance | \$ 5,232,300.00 | \$ 625,000.00 | \$ 585,000.00 | \$ 695,000.00 |
| Provision for taxes | \$ 3,938,719.99 | \$ 65,000.00 | \$ 86,500.00 | \$ 147,500.00 |
| Provision for depreciation | \$ 5,247,988.27 | \$ 180,025.92 | \$ 202,098.68 | \$ 222,488.06 |
| Net income | \$14,621,516.08 | \$ 441,408.37 | \$ 678,876.69 | \$ 593,337.88 |
| Net income per ton | \$ 2.19 | \$ 1.79 | \$ 2.32 | \$ 1.94 |
| Net income per share | \$ 4.18 | \$.13 | \$.19 | \$.17 |
| Cash profits less net capital expenditure | \$13,187,874.41 | \$ 447,161.85 | \$ 696,200.34 | \$ 684,994.72 |
| Dividends paid | \$ 9,989,952.44 | | \$ 262,464.60 | \$ 524,929.20 |
| Dividends paid per share | \$ 2.855 | | \$.075 | \$.15 |
| Percentage of dividends paid to cash profits less net capital expenditure | 7 5.75 | _ | 37.78 | 76.63 |
| Additions to fixed assets | \$ 5,870,830.43 | \$ 80,476.00 | \$ 112,695.29 | \$ 121,586.66 |
| At End of Year: | | | | |
| Fixed assets — at cost | \$ 5,870,830.43 | \$5,870,830.43 | \$5,790,354.43 | \$5,677,659.14 |
| Fixed assets less accumulated depreciation | \$ 720,103.71 | \$ 720,103.71 | \$ 808,394.71 | \$ 889,952.23 |
| Working capital | \$ 3,000,742.26 | \$3,000,742.26 | \$2,553,580.41 | \$2,119,844.67 |
| Number of employees | 296 | 296 | 344 | 365 |

KE GOLD MINES LIMITED

perating Story

| 107,130.856 | 100,877.831 | 106,096.338 | 119,083.749 | 118,804.674 | 123,488.940 | 103,180.955 |
|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| 306,247 | 311,705 | 301,031 | 306,377 | 301,999 | 302,200 | 305,300 |
| 3 13.28 | \$ 12.17 | \$ 12.57 | \$ 13.34 | \$ 13.31 | \$ 13.93 | \$ 11.42 |
| 37.75 | \$ 37.42 | \$ 35.52 | \$ 34.20 | \$ 33.68 | \$ 33.94 | \$ 33.62 |
| 54,067,473.77 | \$3,794,610.80 | \$3,784,106.81 | \$4,088,904.32 | \$4,019,616.83 | \$4,210,606.14 | \$3,485,716.90 |
| \$3,423,769.72 | \$3,465,624.84 | \$3,401,069.55 | \$3,210,400.66 | \$2,943,580.62 | \$2,630,449.37 | \$2,428,015.39 |
| 643,704.05 | \$ 328,985.96 | \$ 383,037.26 | \$ 878,503.66 | \$1,076,036.21 | \$1,580,156.77 | \$1,057,701.51 |
| 45,980.74 | \$ 51,481.97 | \$ 41,808.47 | \$ 41,546.85 | \$ 40,651.28 | \$ 42,476.74 | \$ 25,518.13 |
| \$ 454,000.00 | \$ 685,000.00 | \$ 590,000.00 | \$ 140,000.00 | \$ — | \$ | \$ — |
| 212,000.00 | \$ 178,500.00 | \$ 128,700.00 | \$ 121,800.00 | \$ 27,080.00 | \$ 299,500.00 | \$ 75,280.00 |
| \$ 247,703.41 | \$ 229,047.69 | \$ 236,473.65 | \$ 252,506.11 | \$ 273,712.65 | \$ 271,409.12 | \$ 294,339.55 |
| 683,981.38 | \$ 657,920.24 | \$ 649,672.08 | \$ 685,744.40 | \$ 815,894.84 | \$1,051,724.39 | \$ 713,600.09 |
| 2.23 | \$ 2.11 | \$ 2.16 | \$ 2.24 | \$ 2.70 | \$ 3.48 | \$ 2.34 |
| .20 | \$.19 | \$.19 | \$.20 | \$.23 | \$.30 | \$.20 |
| 5 579,219.65 | \$ 639,998.22 | \$ 622,599.96 | \$ 708,239.54 | \$ 503,774.93 | \$ 904,169.21 | \$ 492,959.77 |
| 5 524,929.20 | \$ 524,929.20 | \$ 524,929.20 | \$ 699,905.60 | \$ 699,905.60 | \$ 699,905.60 | \$ 349,952.80 |
| .15 | \$.15 | \$.15 | \$.20 | \$.20 | \$.20 | \$.10 |
| 90.63 | 82.02 | 84.31 | 98.82 | 138.93 | 77.41 | 70.99 |
| \$ 319,729.06 | \$ 189,490.06 | \$ 172,343.80 | \$ 156,946.04 | \$ 282,926.74 | \$ 168,865.80 | \$ 397,152.21 |
| | | | | | | |
| \$5,556,072.48 | \$5,236,343.42 | \$5,046,853.36 | \$4,874,509.56 | \$4,717,563.52 | \$4,434,636.78 | \$4,265,770.98 |
| \$ 990,813.63 | \$ 916,190.77 | \$ 945,894.59 | \$1,010,024.44 | \$1,094,850.57 | \$1,085,636.48 | \$1,177,358.16 |
| \$1,972,424.57 | \$1,942,145.86 | \$1,864,076.84 | \$1,791,406.08 | \$1,783,072.14 | \$1,979,202.81 | \$1,774,939.20 |
| 424 | 425 | 427 | 424 | 385 | 357 | 381 |







The Gold Rush of 1867

Coincident with the historic declaration of Canada's Confederation, there occurred in the Belleville area of Ontario the first strike in the mineral that would make Canada one of the world's greatest producers of gold. Although it lacked the magnitude of later discoveries in the now famous Porcupine gold camps of Ontario, it nevertheless struck the spark of adventure and exploration that would carry this country into the greatest mineral and development programs of the last century.

From its hectic beginning in which quote - "Four 4-horse coaches and two covered stages left Belleville for Madoc every day, while many treasure seekers, anxious to head the rush, travelled in private conveyances." - the mining of gold has progressed to a point of which, to-day this country can be justifiably proud.

Gold - The Magic Metal

We are deeply indebted to Mr. Gordon Tether, better known as "Lombard" of The Financial Times, London, England, for kindly consenting to write this article for the Annual Report. He is an international authority on the subject of "Gold".

The United States is maintaining as stoutly as ever that, if there is one aspect of the world's present financial structure that must not be touched by international monetary reform, it is the dollar price of gold. And it would seem that her attitude continues to enjoy the support of Britain, Germany and the majority of the remaining financial pacesetting countries of the world. Even so, the gold price situation can be said to have changed in two important senses during the past year, and in a way that would appear to have rendered the prospect of a revaluation of gold somewhat less remote.

In the first place, the vigorous and persistent efforts the U.S. and other \$35-per-ounce diehards have made to prevent the gold price question entering the debate over the future of the international liquidity system have met with their first major setback. It is true that France did not in the end go through with her original intention to demand a full discussion of the part that an increase in the price of the metal could play in programmes to strengthen the world's monetary system. But her insistence that it was one of the subjects that would have to be examined if a real need for the creation of special supplies of international reserves ever emerged — it is fundamental to the French theme that this point can never be reached so long as the U.S. goes on generating additional liquidity by running a major payments deficit — decisively shattered the barrier of silence that had previously kept the gold price issue from entering the picture at all. No clearer proof that the subject has ceased to be "unmentionable" could be adduced than the fact that the gold-price-must-stay-put school has considered it necessary to start counter-attacking the arguments for raising the price, whereas previously it had insisted on pretending that they didn't exist.

The gold price issue has, in short, at last been established on the official liquidity controversy map. If an increase in the price is very much in the nature of an outsider among the various horses participating in the race, it is at least no longer counted among the non-starters. And it is important to remember when weighing its chances of getting a place in the final out-turn that any discussion of the possibility of including a gold price change in a scheme of orderly monetary reform would necessarily have to be conducted in the closest secrecy — seeing that the merest hint that such a change was in the wind would be apt to precipitate an "anticipatory international financial upheaval" capable of having the most disruptive effects. So it is to be expected that there would be no readiness in official quarters anywhere to admit that the gold price had any real chance of being listed among the "first three" until the results were about to be announced.

Which is not, of course, to suggest that the recent new string of official denials of any willingness to contemplate a change in the gold price counts for nothing. For in most cases it has been evident from accompanying explanatory statements that there is still a widespread determination to carry the fight against a gold price change to the last ditch.

Yet if it is evident that considerable resistance will have to be overcome if the case for spear-heading liquidity reform with a revaluation of gold is to be accepted in the end, it is also clear — and this brings us to the second way in which the gold price situation can be said to have changed during the past year — that developments in the international financial field have been conspiring, so to speak, to strengthen the chances of the unexpected happening.

There is, to begin with, the continuing tendency for the discussions on the plan to achieve international liquidity reform through the creation of additional paper money to be bogged down in a conflict of view between the Common Market countries on the one hand and Britain and the U.S. on the other on the all-important question of when and how such a machinery should operate. For it is obvious that the longer a settlement of this controversy is delayed, the stronger the possibility of "natural forces" generated by the growth of international financial tensions precipitating a revaluation of gold of their own accord. If, for example, the absence of a liquidity settlement joins forces with frictions generated by the new widening of the U.S. payments gap to set the U.S. gold stock moving down, America herself might decide that a revaluation of gold was the only way left to her of preventing the country's reserves being dangerously denuded or be pressurised into imposing an embargo on gold sales that could well have the same result.

Then again, the sombre truth is emerging that, in the absence of a gold price increase, the quality aspect of the international liquidity problem may be even more difficult to resolve than the quantity one. Thus, the idea that gold must go higher in the end is so well established in the world at large that no number of official assertions that the \$35 per ounce figure is inviolable can prevent hoarding activity remaining at a high level month after month, practically all the newly-mined gold becoming available having been privately bought in 1966 for the second year in succession. The effect inevitably was to aggravate still further the problem that central banks have been grappling with for some time past of maintaining a satisfactory relationship between the gold and the reserve currency elements in their reserves. And this must be regarded not only as constituting a further endorsement of the argument that a rational reform of the international monetary system ought to start with a revaluation of gold as being the only way in which the shortage of reserves of an acceptable quality can be resolved. It can

also be taken to indicate that the world has come within much closer distance of an international financial explosion that would feature among its effects a major change in the relationship between gold and currencies.

It is, of course, being suggested that, if things do not go the American way on the international liquidity front, Washington may well decide to spite those it sees as trying to force its hand on the gold price issue by taking steps to demonetise gold — notably by abandoning convertibility into gold and insisting that, to do business with the U.S., the rest of the world will have to be prepared to operate on the basis of an inconvertible dollar. Politicians being so very averse to losing face, it is not absolutely inconceivable that such a thing should happen. But it would be extremely surprising if it did. The U.S. has, after all, never denied that gold would have to continue to be regarded as the cornerstone of the international monetary system for a long time to come. And Washington must be well aware that, since other countries would not necessarily be at all ready to support an American attempt to demonetise the metal, the complications and frictions that such a move would bring in its wake could be of an extremely worrying order for the U.S. itself among other things it might result in the dollar being established as a floating currency.

Consequently, if the U.S. did ultimately have to choose between such a jump into the unknown and sanctioning an increase in the price of gold, it might well find the second alternative much to be preferred — making due allowance for the loss of face this would cost it. There is, when all is said and done, a substantial element of the Canute in American and other resistance to the case for remedying the acute loss of purchasing power in terms of all other worldly goods gold has suffered since its price was last revised thirty odd years ago. And Canutism usually has to bow to the realities of life in the end in the monetary field just as it does elsewhere.

Report of the Mine Manager

The President and Directors, Madsen Red Lake Gold Mines Limited, 1109 - 55 Yonge Street, Toronto 1, Ontario.

Dear Sirs:

The Thirty-First Annual Report, covering the operations for the year ended December 31st, 1966, is submitted for your consideration.

PRODUCTION:

The following figures show the production for 1966 and comparable figures for 1965:

| | 1966 | 1965 |
|-------------------------|-----------------|-----------------|
| Ounces of Gold | 69,999.031 | 87,632.198 |
| Ounces of Silver | 11,743.14 | 14,335.83 |
| Gross Value of Bullion | \$ 2,657,165.51 | \$ 3,326,452.29 |
| Average Price Gold/oz. | \$ 37.73 | \$ 37.73 |
| Average Price Silver/oz | \$ 1.39 | \$ 1.39 |

Under the provisions of the Emergency Gold Mining Assistance Act, it is estimated that the Company is entitled to receive \$625,000.00 or \$8.93 per ounce compared with \$585,000.00 or \$6.68 per ounce in 1965.

| OPERATING COSTS: | | | | | | | |
|--------------------------------|------|--------------|-----------|-----------|-----------------|-----------|-----------|
| | | 1966 1965 | | | | | |
| Tons Milled | | | 246,505 | | | 292,681 | |
| Ounces Produced | | | 69,999.03 | 1 | | 87,632.19 | 98 |
| | | | Per Ton | Per | | Per Ton | Per |
| | - | Total Cost | Milled | Ounce | Total Cost | Milled | Ounce |
| Development and Exploration | \$ | 254,347.34 | \$ 1.032 | \$ 3.634 | \$ 402,374.07 | \$ 1.375 | \$ 4.592 |
| Stoping and Stope Preparation | | 934,954.99 | 3.793 | 13.356 | 1,008,568.19 | 3.445 | 11.508 |
| Tramming, Hoisting and Pumping | | 368,591.40 | 1.495 | 5.266 | 464,334.52 | 1.586 | 5.299 |
| Crushing and Conveying | | 81,114.37 | 0.329 | 1.159 | 90,050.52 | 0.309 | 1.028 |
| Milling | | 341,993.95 | 1.387 | 4.886 | 352,200.19 | 1.203 | 4.019 |
| Mine General | | 251,588.04 | 1.021 | 3.594 | 259,127.86 | 0.885 | 2.956 |
| Employee Benefits | | 321,344.80 | 1.304 | 4.590 | 296,169.22 | 1.012 | 3.380 |
| Administration Expenses | | 78,662.77 | 0.319 | 1.124 | 82,518.58 | 0.282 | 0.942 |
| Marketing Charges | | 23,886.43 | 0.097 | 0.341 | 25,983.23 | 0.089 | 0.297 |
| | \$ 2 | 2,656,484.09 | \$ 10.777 | \$ 37.950 | \$ 2,981,326.38 | \$ 10.186 | \$ 34.021 |
| Deduct: Estimated E.G.M.A | | 625,000.00 | 2.536 | 8.929 | 585,000.00 | 1.999 | 6.676 |
| Net Operating Cost | \$ 2 | 2,031,484.09 | \$ 8.241 | \$ 20.021 | \$ 2,396,326.38 | \$ 8.187 | \$ 27.345 |

MINE DEVELOPMENT:

The following table shows the total footage of development work completed during the year 1966, with comparable footages for 1965 and 1964, and total to date:

| | 1966 | 1965 | 1964 | Total to Date |
|-----------------------------------|---|--------|--------|---------------|
| Shaft Sinking and Station Cutting | , si | _ | | 5,462 |
| Crosscutting | *************************************** | 1,452 | 1,238 | 34,266 |
| Drifting | | 2,592 | 10,046 | 174,848 |
| Raising | 1,170 | 834 | 3,021 | 71,844 |
| Diamond Drilling (Contract) | 41,598 | 80,210 | 97,309 | 1,882,500 |
| Diamond Drilling (Packsack) | 32,950 | 63,490 | 63,144 | 241,496 |
| Surface Drilling (Contract) | 14,622 | 20,554 | 16,677 | 178,537 |
| Draw Points | 8 | .7 | 6 | 495 |

The footages of lateral development and raising completed during the year are shown by levels in the following table:

| Level | Drifting | Raising | |
|-------|--|---------|--|
| 14 | 45 | | |
| 15 | 255 | 358 | |
| 16 | 312 | _ | |
| 17 | 103 | 64 | |
| 18 | | 350 | |
| 20 | 123 | 118 | |
| 22 | 187 | | |
| 23 | Married State of the State of t | 258 | |
| 24 | 831 | 22 | |
| Total | 1,856 | 1,170 | |

The development and exploration cost decreased from \$402,374.07 in 1965 to \$254,347.34 in 1966.

Diamond drilling below the 24th level failed to disclose ore occurrences of economic grade.

Diamond drilling was resumed on the 21st level east of departure 19,800. Mineralization encountered in the drilling above the level indicated possible ore in this location.

MINING:

Stoping operations were carried out from the ninth to the twenty-third level inclusive, with 42% of the mill feed coming from above the 2,650-foot horizon, or 17th level.

Sources of Ore Delivered to Mill:

| Ore Zone Number | Tons | * Grade | % Total Ounces |
|--------------------|---------|---------|----------------|
| 1 | 99,230 | 0.361 | 46.78 |
| 2 | 63,750 | 0.325 | 27.05 |
| 3 | 44,560 | 0.218 | 12.69 |
| 4 | 21,130 | 0.325 | 8.99 |
| 6 | 420 | 0.050 | 0.03 |
| 7 | 17,900 | 0.191 | 4.46 |
| Total | 246,990 | 0.310 | 100.00 |

^{*} Grade adjusted to coincide with calculated mills heads.

Free ore amounted to 7% of the total drawn with a grade of 0.196 ounces per ton.

Backfill:

The deslimed mill tailings placed as backfill amounted to 115,690 tons for a total of 1,571,369 tons to date.

ORE RESERVES:

The estimated Ore Reserves for 1966 and comparable figures for 1965 are shown in the following table:

| | December 31, 1966 | | | Dec | December 31, 1965 | | | |
|--------------------------|-------------------|-----------------|-----------|---------|-------------------|-----------|--|--|
| Block | Tons | Grade | Ounces | Tons | Grade | Ounces | | |
| Surface to 7th level | Association | and the same of | | 20,380 | 0.260 | 5,298.8 | | |
| 7th level to 11th level | 12,440 | 0.347 | 4,322.8 | 15,000 | 0.304 | 4,560.0 | | |
| 11th level to 17th level | 174,910 | 0.253 | 44,279.4 | 156,690 | 0.272 | 42,619.7 | | |
| 17th level to 23rd level | 372,650 | 0.303 | 112,637.7 | 472,930 | 0.311 | 147,081.2 | | |
| Broken Reserve | Nil | | | Nil | | | | |
| Total Reserves | 560,000 | 0.289 | 161,239.9 | 665,000 | 0.300 | 199,559.7 | | |

The broken ore in cut and fill stopes is not included in the above reserve figure.

New ore found in the walls of active stopes and free ore drawn from old workings amounted to 141,000 tons.

MILLING:

The milling data for the current year, the two previous years, and the total since the commencement of milling operations are shown in the following table:

| | 1966 | Year 1965 | Year 1964 | Aug. 11, 1938 Dec. 31, 1966 |
|---|---------|--------------|--------------|--------------------------------|
| Dry Tons Treated | 246,505 | 292,681 | 305,823 | 6,673,787 |
| Percentage Operating Time of Total Time | 80.42 | 95.75 | 98.01 | 95.62 |
| Tons Treated Per Calendar Day | 675.36 | 801.87 | 835.58 | 643.57 |
| Average Gold Assay Heads, Troy Ounces | 0.30865 | 0.32268 | 0.33415 | 0.31736 |
| Average Gold Assay Tails, Troy ounces | 0.02468 | 0.02327 | 0.02321 | 0.01968 |
| Percentage Recovery | 92.00 | 92.79 | 93.04 | 93.80 |

BUILDINGS, MACHINERY AND EQUIPMENT:

The total Expenditures for Buildings, Machinery and Equipment amounted to \$93,014.04 as follows:

| Houses | \$79,900.00 |
|--|-------------|
| Trailer Equipment | 1,722.37 |
| Starratt Olsen Water Supply | 702.40 |
| Madsen Water Supply | 930.31 |
| Surface Pipe Lines | 4,995.97 |
| Cathercole Konimeter | 277.66 |
| Thermofax Machine | 520.20 |
| Machine Shop Equipment | 460.90 |
| Audiometer | 444.07 |
| Dry Equipment | 822.29 |
| Electric Hoist | 379.11 |
| Outboard Engine | 300.30 |
| Office Equipment | 387.45 |
| Underground Equipment — Electric Cable | 1,171.01 |
| | \$93,014.04 |

GENERAL:

The 40-hour week and a wage increase of five cents per hour became effective on August 22nd under an agreement with the United Steelworkers of America.

There were 305 hirings and 357 separations compared with 344 hirings and 369 separations during 1965.

There were 292 full time employees on the payroll at the end of the year.

Very few competent, responsible men were available to replace those lost to other industries and other mines.

Good, low rental housing was available all year.

A statement detailing the distribution of moneys spent for wages, supplies, equipment, pension and insurance to operate and maintain the mine during the year is appended to this report.

CONCLUSION:

I extend my sincere thanks to the Heads of Departments, and their staff, and to all of the Company employees, for their loyal and efficient service throughout the year.

The support and guidance of the President and Board of Directors, and the Head Office staff, are gratefully acknowledged.

Yours very truly,

K. R. NORTH, P.Eng. (Ont.),

Mine Manager.

Madsen, Ontario, February 22nd, 1967.

General Summary of Expenditure for 1966

| Wages and salaries \$1,509,640.56 Pension plan 32,599.27 Holidays with pay 47,974.62 \$1,590,214.45 Contracts: P. L. Atkin 97,723.47 Supplies: Hardware \$ 18,572.75 Iron and steel 5,849.13 Tungsten, carbide bits and steel 39,114.15 Grinding balls 24,911.49 Wire and cable 2,614.32 Electrical supplies 5,138.89 Pipe fittings and hose 3,624.57 Rock drills and repairs 15,563.26 Crusher repairs 13,791.79 Mill repairs 24,831.76 Building supplies 31,740.19 Miscellaneous supplies and services 127,112.66 Power (heating and operations) 165,603.01 Timber 21,886.70 Explosives 37,228.92 Chemicals 73,840.15 Transportation 43,735.93 Fuel oil, gasoline and lubricants 15,489.65 Engineering and geological supplies 2,043.60 | Wages and salaries: | | | |
|---|-------------------------------------|----|--------------|-----------------|
| Pension plan | Wages and salaries | \$ | 1,509,640.56 | |
| Holidays with pay | | , | | |
| P. L. Atkin 97,723.47 | | | | \$ 1,590,214,45 |
| P. L. Atkin 97,723.47 | | | | , -,, |
| P. L. Atkin 97,723.47 | Contractor | | | |
| Hardware | | | | |
| Hardware | P. L. Atkin | | | 97,723.47 |
| Hardware | Supplies: | | | |
| Iron and steel | | Φ | 10 570 75 | |
| Tungsten, carbide bits and steel 39,114.15 Grinding balls 24,911.49 Wire and cable 2,614.32 Electrical supplies 5,138.89 Pipe fittings and hose 3,624.57 Rock drills and repairs 15,563.26 Crusher repairs 13,791.79 Mill repairs 24,831.76 Building supplies 31,740.19 Miscellaneous supplies and services 127,112.66 Power (heating and operations) 165,603.01 Timber 21,886.70 Explosives 37,228.92 Chemicals 73,840.15 Transportation 43,735.93 Fuel oil, gasoline and lubricants 15,489.65 Engineering and geological supplies 2,043.60 Diamond drill bits and repairs 12,917.61 Food products 65,694.90 Equipment 11,391.67 Buildings and houses 79,900.00 House trailers 1,722.37 844,319.47 Insurance: Fire, public liability, business interruption bond, bullion, boiler and vehicle \$2,2,258 | | \$ | | |
| Grinding balls 24,911.49 Wire and cable 2,614.32 Electrical supplies 5,138.89 Pipe fittings and hose 3,624.57 Rock drills and repairs 15,563.26 Crusher repairs 13,791.79 Mill repairs 24,831.76 Building supplies 31,740.19 Miscellaneous supplies and services 127,112.66 Power (heating and operations) 165,603.01 Timber 21,886.70 Explosives 37,228.92 Chemicals 73,840.15 Transportation 43,735.93 Fuel oil, gasoline and lubricants 15,489.65 Engineering and geological supplies 2,043.60 Diamond drill bits and repairs 12,917.61 Food products 65,694.90 Equipment 11,391.67 Buildings and houses 79,900.00 House trailers 30,823.93 Workmen's Compensation and Silicosis 116,388.22 Unemployment insurance 11,753.99 182,224.34 \$ 2,714,481.73 133,258.35 | | | | |
| Wire and cable 2,614.32 Electrical supplies 5,138.89 Pipe fittings and hose 3,624.57 Rock drills and repairs 15,563.26 Crusher repairs 13,791.79 Mill repairs 24,831.76 Building supplies 31,740.19 Miscellaneous supplies and services 127,112.66 Power (heating and operations) 165,603.01 Timber 21,886.70 Explosives 37,228.92 Chemicals 73,840.15 Transportation 43,735.93 Fuel oil, gasoline and lubricants 15,489.65 Engineering and geological supplies 2,043.60 Diamond drill bits and repairs 12,917.61 Food products 65,694.90 Equipment 11,391.67 Buildings and houses 79,900.00 House trailers 17,722.37 844,319.47 Insurance: Fire, public liability, business interruption bond, bullion, boiler and vehicle \$23,258.20 Sun Life and Associated Medical Services 30,823.93 Workmen's Compensation and Silicosis 116,388.22 Unemployment insurance 1 | | | | |
| Electrical supplies | | | | |
| Pipe fittings and hose 3,624.57 Rock drills and repairs 15,563.26 Crusher repairs 13,791.79 Mill repairs 24,831.76 Building supplies 31,740.19 Miscellaneous supplies and services 127,112.66 Power (heating and operations) 165,603.01 Timber 21,886.70 Explosives 37,228.92 Chemicals 73,840.15 Transportation 43,735.93 Fuel oil, gasoline and lubricants 15,489.65 Engineering and geological supplies 2,043.60 Diamond drill bits and repairs 12,917.61 Food products 65,694.90 Equipment 11,391.67 Buildings and houses 79,900.00 House trailers 1,722.37 844,319.47 Insurance: Fire, public liability, business interruption bond, bullion, boiler and vehicle \$ 23,258.20 Sun Life and Associated Medical Services 30,823.93 Workmen's Compensation and Silicosis 116,388.22 Unemployment insurance 11,753.99 182,224.34 \$ 2,714,481.73 133,258.35 </td <td></td> <td></td> <td></td> <td></td> | | | | |
| Rock drills and repairs | | | | |
| Crusher repairs 13,791.79 Mill repairs 24,831.76 Building supplies 31,740.19 Miscellaneous supplies and services 127,112.66 Power (heating and operations) 165,603.01 Timber 21,886.70 Explosives 37,228.92 Chemicals 73,840.15 Transportation 43,735.93 Fuel oil, gasoline and lubricants 15,489.65 Engineering and geological supplies 2,043.60 Diamond drill bits and repairs 12,917.61 Food products 65,694.90 Equipment 11,391.67 Buildings and houses 79,900.00 House trailers 1,722.37 844,319.47 Insurance: Fire, public liability, business interruption bond, bullion, boiler and vehicle \$23,258.20 Sun Life and Associated Medical Services 30,823.93 Workmen's Compensation and Silicosis 116,388.22 Unemployment insurance 11,753.99 182,224.34 \$2,714,481.73 133,258.35 | | | | |
| Mill repairs 24,831.76 Building supplies 31,740.19 Miscellaneous supplies and services 127,112.66 Power (heating and operations) 165,603.01 Timber 21,886.70 Explosives 37,228.92 Chemicals 73,840.15 Transportation 43,735.93 Fuel oil, gasoline and lubricants 15,489.65 Engineering and geological supplies 2,043.60 Diamond drill bits and repairs 12,917.61 Food products 65,694.90 Equipment 11,391.67 Buildings and houses 79,900.00 House trailers 1,722.37 844,319.47 Insurance: Fire, public liability, business interruption bond, bullion, boiler and vehicle \$23,258.20 Sun Life and Associated Medical Services 30,823.93 Workmen's Compensation and Silicosis 116,388.22 Unemployment insurance 11,753.99 182,224.34 *2,714,481.73 133,258.35 | Rock drills and repairs | | 15,563.26 | |
| Building supplies 31,740.19 Miscellaneous supplies and services 127,112.66 Power (heating and operations) 165,603.01 Timber 21,886.70 Explosives 37,228.92 Chemicals 73,840.15 Transportation 43,735.93 Fuel oil, gasoline and lubricants 15,489.65 Engineering and geological supplies 2,043.60 Diamond drill bits and repairs 12,917.61 Food products 65,694.90 Equipment 11,391.67 Buildings and houses 79,900.00 House trailers 1,722.37 844,319.47 Insurance: Fire, public liability, business interruption bond, bullion, boiler and vehicle Sun Life and Associated Medical Services 30,823.93 Workmen's Compensation and Silicosis 116,388.22 Unemployment insurance 11,753.99 182,224.34 \$2,714,481.73 133,258.35 | Crusher repairs | | 13,791.79 | |
| Miscellaneous supplies and services 127,112.66 Power (heating and operations) 165,603.01 Timber 21,886.70 Explosives 37,228.92 Chemicals 73,840.15 Transportation 43,735.93 Fuel oil, gasoline and lubricants 15,489.65 Engineering and geological supplies 2,043.60 Diamond drill bits and repairs 12,917.61 Food products 65,694.90 Equipment 11,391.67 Buildings and houses 79,900.00 House trailers 1,722.37 844,319.47 Insurance: \$ 23,258.20 Sun Life and Associated Medical Services 30,823.93 Workmen's Compensation and Silicosis 116,388.22 Unemployment insurance 11,753.99 182,224.34 Taxes: Dominion and Provincial \$ 2,714,481.73 133,258.35 | Mill repairs | | 24,831.76 | |
| Power (heating and operations) 165,603.01 Timber 21,886.70 Explosives 37,228.92 Chemicals 73,840.15 Transportation 43,735.93 Fuel oil, gasoline and lubricants 15,489.65 Engineering and geological supplies 2,043.60 Diamond drill bits and repairs 12,917.61 Food products 65,694.90 Equipment 11,391.67 Buildings and houses 79,900.00 House trailers 1,722.37 844,319.47 Insurance: Fire, public liability, business interruption bond, bullion, boiler and vehicle \$ 23,258.20 Sun Life and Associated Medical Services 30,823.93 Workmen's Compensation and Silicosis 116,388.22 Unemployment insurance 11,753.99 182,224.34 * 2,714,481.73 Taxes: Dominion and Provincial 133,258.35 | Building supplies | | 31,740.19 | |
| Timber 21,886.70 Explosives 37,228.92 Chemicals 73,840.15 Transportation 43,735.93 Fuel oil, gasoline and lubricants 15,489.65 Engineering and geological supplies 2,043.60 Diamond drill bits and repairs 12,917.61 Food products 65,694.90 Equipment 11,391.67 Buildings and houses 79,900.00 House trailers 1,722.37 844,319.47 Insurance: Fire, public liability, business interruption bond, bullion, boiler and vehicle \$ 23,258.20 Sun Life and Associated Medical Services 30,823.93 Workmen's Compensation and Silicosis 116,388.22 Unemployment insurance 11,753.99 182,224.34 \$ 2,714,481.73 Taxes: Dominion and Provincial \$ 2,714,481.73 | Miscellaneous supplies and services | | 127,112.66 | |
| Explosives 37,228.92 Chemicals 73,840.15 Transportation 43,735.93 Fuel oil, gasoline and lubricants 15,489.65 Engineering and geological supplies 2,043.60 Diamond drill bits and repairs 12,917.61 Food products 65,694.90 Equipment 11,391.67 Buildings and houses 79,900.00 House trailers 1,722.37 844,319.47 Insurance: Fire, public liability, business interruption bond, bullion, boiler and vehicle \$ 23,258.20 Sun Life and Associated Medical Services 30,823.93 Workmen's Compensation and Silicosis 116,388.22 Unemployment insurance 11,753.99 182,224.34 Taxes: Dominion and Provincial \$ 2,714,481.73 133,258.35 | Power (heating and operations) | | 165,603.01 | |
| Chemicals 73,840.15 Transportation 43,735.93 Fuel oil, gasoline and lubricants 15,489.65 Engineering and geological supplies 2,043.60 Diamond drill bits and repairs 12,917.61 Food products 65,694.90 Equipment 11,391.67 Buildings and houses 79,900.00 House trailers 1,722.37 844,319.47 Insurance: Fire, public liability, business interruption bond, bullion, boiler and vehicle \$ 23,258.20 Sun Life and Associated Medical Services 30,823.93 Workmen's Compensation and Silicosis 116,388.22 Unemployment insurance 11,753.99 182,224.34 Taxes: Dominion and Provincial \$ 2,714,481.73 133,258.35 | Timber | | 21,886.70 | |
| Transportation 43,735.93 Fuel oil, gasoline and lubricants 15,489.65 Engineering and geological supplies 2,043.60 Diamond drill bits and repairs 12,917.61 Food products 65,694.90 Equipment 11,391.67 Buildings and houses 79,900.00 House trailers 1,722.37 844,319.47 Insurance: Fire, public liability, business interruption bond, bullion, boiler and vehicle \$23,258.20 Sun Life and Associated Medical Services 30,823.93 Workmen's Compensation and Silicosis 116,388.22 Unemployment insurance 11,753.99 182,224.34 Taxes: Dominion and Provincial \$2,714,481.73 133,258.35 | Explosives | | 37,228.92 | |
| Fuel oil, gasoline and lubricants Engineering and geological supplies 2,043.60 Diamond drill bits and repairs 12,917.61 Food products Equipment Buildings and houses House trailers Fire, public liability, business interruption bond, bullion, boiler and vehicle Sun Life and Associated Medical Services Workmen's Compensation and Silicosis Unemployment insurance Taxes: Dominion and Provincial 15,489.65 2,043.60 2,043.60 2,043.60 11,391.67 65,694.90 11,391.67 844,319.47 844,319.47 | Chemicals | | 73,840.15 | |
| Fuel oil, gasoline and lubricants 15,489.65 Engineering and geological supplies 2,043.60 Diamond drill bits and repairs 12,917.61 Food products 65,694.90 Equipment 11,391.67 Buildings and houses 79,900.00 House trailers 1,722.37 844,319.47 Insurance: Fire, public liability, business interruption bond, bullion, boiler and vehicle \$ 23,258.20 Sun Life and Associated Medical Services 30,823.93 Workmen's Compensation and Silicosis 116,388.22 Unemployment insurance 11,753.99 182,224.34 Taxes: Dominion and Provincial \$ 2,714,481.73 133,258.35 | Transportation | | 43,735.93 | |
| Engineering and geological supplies 2,043.60 Diamond drill bits and repairs 12,917.61 Food products 65,694.90 Equipment 11,391.67 Buildings and houses 79,900.00 House trailers 1,722.37 844,319.47 Insurance: Fire, public liability, business interruption bond, bullion, boiler and vehicle \$23,258.20 Sun Life and Associated Medical Services 30,823.93 Workmen's Compensation and Silicosis 116,388.22 Unemployment insurance 11,753.99 182,224.34 Taxes: Dominion and Provincial \$2,714,481.73 133,258.35 | | | 15,489.65 | |
| Diamond drill bits and repairs 12,917.61 Food products 65,694.90 Equipment 11,391.67 Buildings and houses 79,900.00 House trailers 1,722.37 844,319.47 Insurance: Fire, public liability, business interruption bond, bullion, boiler and vehicle \$23,258.20 Sun Life and Associated Medical Services 30,823.93 Workmen's Compensation and Silicosis 116,388.22 Unemployment insurance 11,753.99 182,224.34 Taxes: Dominion and Provincial \$2,714,481.73 133,258.35 | | | 2,043.60 | |
| Food products 65,694.90 Equipment 11,391.67 Buildings and houses 79,900.00 House trailers 1,722.37 844,319.47 Insurance: Fire, public liability, business interruption bond, bullion, boiler and vehicle \$23,258.20 Sun Life and Associated Medical Services 30,823.93 Workmen's Compensation and Silicosis 116,388.22 Unemployment insurance 11,753.99 182,224.34 Taxes: Dominion and Provincial \$2,714,481.73 133,258.35 | | | 12,917.61 | |
| Equipment 11,391.67 Buildings and houses 79,900.00 House trailers 1,722.37 844,319.47 Insurance: Fire, public liability, business interruption bond, bullion, boiler and vehicle \$23,258.20 Sun Life and Associated Medical Services 30,823.93 Workmen's Compensation and Silicosis 116,388.22 Unemployment insurance 11,753.99 182,224.34 Taxes: Dominion and Provincial \$2,714,481.73 133,258.35 | | | | |
| Buildings and houses 79,900.00 House trailers 1,722.37 844,319.47 Insurance: Fire, public liability, business interruption bond, bullion, boiler and vehicle \$23,258.20 Sun Life and Associated Medical Services 30,823.93 Workmen's Compensation and Silicosis 116,388.22 Unemployment insurance 11,753.99 182,224.34 Taxes: Dominion and Provincial \$2,714,481.73 133,258.35 | | | | |
| House trailers 1,722.37 844,319.47 Insurance: Fire, public liability, business interruption bond, bullion, boiler and vehicle Sun Life and Associated Medical Services Workmen's Compensation and Silicosis Unemployment insurance Taxes: Dominion and Provincial 1,722.37 844,319.47 \$ 23,258.20 30,823.93 116,388.22 11,753.99 182,224.34 | | | | |
| Fire, public liability, business interruption bond, bullion, boiler and vehicle \$23,258.20 Sun Life and Associated Medical Services 30,823.93 Workmen's Compensation and Silicosis 116,388.22 Unemployment insurance 11,753.99 182,224.34 Taxes: Dominion and Provincial \$2,714,481.73 133,258.35 | | | | 844,319.47 |
| Fire, public liability, business interruption bond, bullion, boiler and vehicle \$23,258.20 Sun Life and Associated Medical Services 30,823.93 Workmen's Compensation and Silicosis 116,388.22 Unemployment insurance 11,753.99 182,224.34 Taxes: Dominion and Provincial \$2,714,481.73 133,258.35 | | | | |
| and vehicle \$ 23,258.20 Sun Life and Associated Medical Services 30,823.93 Workmen's Compensation and Silicosis 116,388.22 Unemployment insurance 11,753.99 182,224.34 Taxes: Dominion and Provincial \$ 2,714,481.73 133,258.35 | Insurance: | | | |
| Sun Life and Associated Medical Services 30,823.93 Workmen's Compensation and Silicosis 116,388.22 Unemployment insurance 11,753.99 182,224.34 Taxes: Dominion and Provincial \$2,714,481.73 133,258.35 | | | | |
| Workmen's Compensation and Silicosis 116,388.22 Unemployment insurance 11,753.99 182,224.34 Taxes: Dominion and Provincial \$ 2,714,481.73 133,258.35 | | \$ | | |
| Unemployment insurance 11,753.99 182,224.34 **Taxes: Dominion and Provincial \$ 2,714,481.73 133,258.35 | | | | |
| *2,714,481.73 Taxes: Dominion and Provincial \$2,714,481.73 133,258.35 | | | | |
| Taxes: Dominion and Provincial 133,258.35 | Unemployment insurance | | 11,753.99 | 182,224.34 |
| | | | | |
| Total Expenditure | Taxes: Dominion and Provincial | | | 133,258.35 |
| | Total Expenditure | | | \$ 2,847,740.08 |

